

APRIL 21, 1976

THE RUBBER STRIKE -- HOW LONG AND AT WHAT PRICE?

ANNCR: THE EXPECTED STRIKE OF THE AMERICAN RUBBER INDUSTRY BEGAN AS SEVENTY THOUSAND UNION WORKERS WALKED OFF THEIR JOBS EARLY WEDNESDAY MORNING. CHARLES MEDD LOOKS AT THE CAUSE AND SOME POSSIBLE EFFECTS OF THIS NATION-WIDE WALKOUT.

VOICE: THE WALK-OUT CAME AS NO SURPRISE. THE UNITED RUBBER WORKERS -- ARCHITECTS OF THE ORIGINAL SIT-DOWN STRIKES IN 1937 -- ARE AN OLD AND PROUD UNION WHOSE MEMBERS FEEL THEY WERE HURT MORE THAN MOST WORKERS BY THE RECENT WAVE OF INFLATION. UNLIKE THE LABOR AGREEMENTS IN MANY OTHER MANUFACTURING SECTORS, THE CURRENT CONTRACT IN THE RUBBER INDUSTRY OFFERS NO PROTECTION AGAINST COST-OF-LIVING INCREASES. AS A RESULT, WAGES FOR RUBBER WORKERS HAVE FALLEN BEHIND THOSE DOING SIMILAR WORK IN AUTOMOBILE AND OTHER MANUFACTURING PLANTS. THE UNION NOT ONLY WANTS TO CATCH UP WITH OTHER PRODUCTION WORKERS, BUT ALSO WANTS THE NEW CONTRACT TO PROVIDE AUTOMATIC WAGE GAINS TIED TO FUTURE INCREASES IN CONSUMER PRICES.

HOW MUCH MONEY THE UNION IS DEMANDING ABOVE THE PRESENT HOURLY WAGE OF FIVE AND ONE-HALF DOLLARS IS NOT KNOWN TO THE PUBLIC. BUT IT'S CLEARLY A LOT MORE THAN THE ONE DOLLAR AND FIVE CENT FIGURE OFFERED BY THE COMPANIES OVER THE NEXT THREE YEARS. IN THE YEAR'S FIRST INDUSTRIAL SHOWDOWN, THE TEAMSTERS (TRUCK DRIVERS) UNION, AFTER A SHORT STRIKE, WON WHAT AMOUNTED TO A BETTER THAN THIRTY PER CENT INCREASE OVER A THREE-YEAR CONTRACT PERIOD. AND SOME ANALYSTS BELIEVE THE RUBBER WORKERS, WHOSE WAGES ARE NOW WELL BELOW THOSE OF TRUCK DRIVERS, ARE SEEKING A MUCH BIGGER BOOST.

UNION LEADERS SAY THAT MANAGEMENT CAN AFFORD THE INCREASE BECAUSE THE RECENT JUMP IN AUTO SALES HAS IMPROVED THE MARKET

FOR TIRES. FOR THEIR PART, THE COMPANIES SAY THEY ARE WORRIED ABOUT PRICING THEMSELVES OUT OF COMPETITION WITH FOREIGN RUBBER PRODUCERS. EVEN MORE WORRIED ARE THE POLICY-MAKERS HERE IN WASHINGTON. ON ONE HAND, THEY FEAR THAT A LONG HALT IN PRODUCTION COULD HURT OTHER INDUSTRIES THAT RELY ON RUBBER GOODS. THEY ALSO FEAR THAT AN EXPENSIVE WAGE SETTLEMENT WILL SET A PATTERN FOR DEMANDS BY OTHER UNIONS SCHEDULED TO NEGOTIATE NEW CONTRACTS LATER THIS YEAR.

THE WALKOUT BEGAN JUST ONE DAY AFTER THIS COUNTRY HEARD ITS BEST ECONOMIC NEWS IN SEVERAL YEARS. WITH PRODUCTION UP AND INFLATION DOWN, THERE WAS MUCH TO CHEER ABOUT. HOW LONG THE CHEERS LAST MAY DEPEND ON HOW QUICKLY THIS NATION-WIDE STRIKE ENDS AND THE SIZE OF THE EVENTUAL SETTLEMENT.

PCA/GH